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FRONTAGE HOLDINGS CORPORATION

方達控股公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1521)

VOLUNTARY ANNOUNCEMENT SHARE REPURCHASE PLAN

This announcement is made by Frontage Holdings Corporation (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) on a voluntary basis to the shareholders of the Company (the “**Shareholders**”) and potential investors.

Reference is made to the circular of the Company dated April 21, 2023 (the “**Circular**”) and the announcement of the Company dated May 25, 2023, in relation to, among others, the general mandate to repurchase (the “**Repurchase Mandate**”) shares of the Company (the “**Shares**”) granted by the Shareholders to the directors of the Company (the “**Directors**”) at the annual general meeting of the Company held on May 25, 2023 (the “**AGM**”). Unless otherwise stated, terms defined in the Circular shall have the same meanings when used in this announcement.

Pursuant to the Repurchase Mandate, the Directors are authorized to exercise the power of the Company to repurchase up to 205,675,391 Shares, being 10% of the total issued share capital of the Company as at the date of the AGM. As of the date of this announcement, the Company has repurchased 5,000,000 shares pursuant to the Repurchase Mandate. The Board would like to inform the Shareholders and the investment public that, it intends to further utilize between US\$9.0 million to US\$10.0 million for repurchasing Shares on the open market (pursuant to the Repurchase Mandate) from the date of this announcement up to the expiration of the Repurchase Mandate upon conclusion of the next annual general meeting of the Company (the “**Share Repurchase Plan**”). The Company has budgeted for, and will finance with its internal financial resources, the Share Repurchase Plan. Based on the recent market price of the Shares, the Directors believe the maximum number of shares which can be repurchased under the Repurchase Mandate would not be reached even if the current budget for the Share Repurchase Plan is utilized in full. Depending on market conditions, the Board may further increase the relevant budget for the Share Repurchase Plan where it is in the Company’s interest to further utilize the Repurchase Mandate.

The Board considers that the current share price of the Company is below its intrinsic actual value and may not reflect the business prospects of the Company, and the Board considers that the Share Repurchase Plan fully reflects the confidence of directors and senior management of the Company in the long-term growth and market performance of the Company and the Share Repurchase Plan is in the best interest of the Company and its shareholders as a whole.

The implementation of the Share Repurchase Plan will be subject to compliance with the Repurchase Mandate, applicable provisions of the articles of association of the Company, the Listing Rules and the Takeovers Code and other applicable laws and regulations.

The directors have no intention to exercise the Repurchase Mandate to the extent that would result in the number of Shares in the hands of the public falling below the minimum percentage as prescribed by the Stock Exchange or give rise to an obligation to make a general offer to the shareholders under Rules 26 and 32 of the Takeovers Code.

Shareholders and potential investors should note that the exercise of the Repurchase Mandate by the Company will be subject to market conditions and will be at the absolute discretion of the Board. There is no assurance of the timing, quantity or price of any repurchases. Shareholders and potential investors should exercise caution when dealing in the Shares.

By Order of the Board
Frontage Holdings Corporation
Dr. Song Li
Chairman

Hong Kong, October 27, 2023

As at the date of this announcement, the Board comprises Dr. Song Li as executive Director; Dr. Zhihe Li, Ms. Zhuan Yin and Mr. Hao Wu as non-executive Directors; and Mr. Yifan Li, Mr. Erh Fei Liu and Dr. Jingsong Wang as independent non-executive Directors.

* *For identification purpose only*